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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|---|-------------|----------------------|------------------------------|--------------------|
| 09/316,938 | 05/21/1999 | MICHAEL THORSEN | 1685 | 8498 |
| 21834 | 7590 | 11/10/2003 | | |
| BECK AND TYSVER 2900 THOMAS AVENUE SOUTH SUITE 100 MINNEAPOLIS, MN 55419 | | | EXAMINER RIMELL, SAMUEL G | |
| | | | ART UNIT 2175 | PAPER NUMBER 24 |

DATE MAILED: 11/10/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/316,938

Applicant(s)

THORSEN ET AL.

Examiner

Sam Rimell

Art Unit

2175

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 19-23 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 19-23 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on ____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) ____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). ____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: ____.


SAM RIMELL
PRIMARY EXAMINER

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 19-23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Freeman Jr. et al. (U.S. Pat. 6,012,035) in view of Tarter et al. (U.S. Patent 5,550,734).

Claim 19: Freeman Jr. et al. discloses a system in which multiple providers (physicians) provide medical services to multiple patients. The providers report the services they rendered to a first entity, which is the insurance company of Freeman, Jr. et al. (col. 2, line 14; col 2, lines 41-43).

Freeman Jr. et al. differs from the claims in that it does not disclose the first entity (insurance company) reporting to a sponsor. However, Tarter et al. at col. 4, lines 36-44 describes a sponsor in the form of an employer (a commercial bank) which sponsors an insurance plan for its employees, establishes the insurance policy and pays the premiums for the policy. The entity would thus report to the sponsor on a periodic basis indicating the aggregate amount owed by the sponsor (premiums due) for the services rendered by the entity (insurance coverage). The insurance plan is "self funded by the sponsor" in the sense that the sponsor pays the funds for the premiums due. It would have been obvious to one of ordinary skill in the art to modify Freeman Jr. et al. to include an employer as a sponsor of the described insurance plan as an efficient design for group health insurance coverage as taught by Tarter et al.

Art Unit: 2175

The entity (insurance company) reports to the patient on a periodic basis of the amount owed by the patient for provider services not covered by the insurance (col. 8, lines 30-35 of Freeman Jr. et al.).

The entity (insurance company) collects payments from the sponsor (employer) in the form of insurance premiums.

The entity (insurance company) pays the provider for the services rendered regardless of any payments by the patient to the entity. This is because the entity is an insurance company making insurance payments on the basis of an insurance contract established and paid for by an employer.

Additional payments may be collected from the patient for the patient's share of uncovered claims (col. 8, lines 33-36 of Freeman Jr. et al.).

Claim 20: The entity collects a lump sum payment from the sponsor in the form of insurance premiums.

Claim 21: See remarks for claim 19.

Claim 22: The "explanation of benefits" sent to the patient and described at col. 8, line 32 of Freeman et al. reads as the "plain language description of services rendered".

Claim 23: See remarks for claim 19. The "administrator" is equivalent to the "entity" of claim 19 and reads as the insurance company of Freeman, Jr. et al. The combination of Freeman Jr. et al. and Tartar et al. teach that the statements are submitted to the patient by the "administrator" or "entity" and not from the sponsor (the employer) or the health care provider.

Remarks

Applicant's arguments have been considered.

Art Unit: 2175

Applicant's arguments have overcome the previous grounds of rejection under 35 USC 112.

Applicant's arguments focus on the nature of the insurance arrangement applied in the Freeman Jr. et al. reference, in comparison to the funding arrangement used in applicant's invention. In particular, applicant argues that the present invention is one in which an administrative entity is aggregating all of the patient generated costs during a given period of time and bills the total sum of those costs to an employer, who funds those costs.

However, the aggregated sum of cost corresponds to an insurance premium. When an employer pays an insurance entity a premium each month to provide insurance coverage, it is literally paying an aggregated cost for health care services rendered. The insurance literally pays for the health care services provided and the aggregated cost seen by the employer is the insurance premium.

For example, claim 19 currently states:

"said entity reporting to said sponsor on a periodic basis the aggregate amount owed by the sponsor for health care services rendered by said providers for covered patients during the period".

From the perspective of an employer paying premiums for health insurance, the premiums are in fact an aggregate amount paid by the employer on a periodic basis. The purpose of that aggregate is to provide insurance which pays for the health care services rendered to its employees. Thus the system of Freeman Jr. et al., which utilizes insurance, fully teaches these limitations.

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the mailing date of this final action.

Any inquiry concerning this communication should be directed to Sam Rimell at telephone number (703) 306-5626.



Sam Rimell
Primary Examiner
Art Unit 2175